

AUG 23 2018



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION IX – PACIFIC SOUTHWEST REGION  
75 Hawthorne Street  
San Francisco, CA 94105-3901

CERTIFIED MAIL: 7015 0640 0001 1122 1588  
RETURN RECEIPT REQUESTED

Mr. Scott Miller, Esq.  
Chief Corporate Counsel  
Sims Metal Management  
555 Theodore Fremd Avenue, Suite C-300  
Rye, New York 10580

Re: United States v. Sims, Consent Decree 3:14-cv-04209 (12/1/2014)

Dear Mr. Miller:

I am writing to summarize our meeting on July 18, 2018 and to provide the U.S. Environmental Protection Agency's (EPA) comments on the March 1, 2018, Draft Ecological Risk Assessment Report (Draft ERA) for Sims Metal Management's Port of Redwood City Wharf 3 Area. Sims prepared the Draft ERA in accordance with paragraphs 18 and 19 of the above-referenced Consent Decree, which requires Sims to describe how it intends to remediate sediment within its EPA-approved Sediment Sampling and Analysis Plan's (SSAP) sampling area in a Sediment Remediation Plan (SRP). The Consent Decree requires that the SRP include an evaluation of various alternatives for removal of scrap metal and PCBs in the sampling area, e.g., dredging. The Consent Decree also requires that the SRP include the potential impacts associated with disturbance of the sediment as part of remediation activities, such as dredging, and provides that Sims may propose to leave the sediments and agglomerated scrap metal in place if supported by the result of an ERA. The conclusion reached by Sims in its Draft ERA was that the SRP would involve leaving all sediment in place.

The following is a summary of our July 18 discussion of options to address contaminants in Project Area and comments on the March 1, 2018 Draft ERA:

1. EPA did not believe the Draft ERA's focus on the ecological risk associated with dredging precluded the availability of other various alternatives for sediment remediation in the sampling area. For instance, the Draft ERA did not address or preclude a remediation alternative involving capping sediments in the upper and lower rip-rap where metals concentrations exceed California Hazardous Waste Levels (Total Threshold Limit Concentrations, or TTLC) to prevent further release of these pollutants to the marine environment. Consequently, for the areas in the upper and lower rip-rap where metals concentrations were above TTLC values, we agreed during our meeting that Sims propose options to cap the sediments to prevent future release to the environment. Please include in the SRP the areas to be capped, the physical characteristics of the cap (e.g., material type and thickness, structural integrity requirements, maintenance requirements), the installation techniques used, especially of portions impacted by tidal action, and the permits necessary to allow cap installation (BCDC, Water Board, and Army Corps Section 404 and/or Section 10 permits).

2. During our meeting, EPA expressed its concern with leaving in place any contaminant "hot spots" in sediment in which metals concentrations exceed TTLC near Wharf 3. In its March 1, 2018 SSAP, Sims identified several sub-tidal sediment samples near Wharf 3 where metals concentrations exceed California TTLC (see Enclosure). Sims's use of a Site Use Factor of 0.03 in its Draft ERA risks masking high levels of metals and PCBs in the SSAP sampling area, especially near Wharf 3. Given that arsenic, copper, zinc, and lead concentrations above TTLC were observed at surface and at a depth of approximately 2 feet below the surface, EPA and Sims agreed at our meeting that Sims would propose in the SRP options to remove the sub-tidal sediment in the area containing metals with concentrations at or above TTLC levels. For the sub-tidal sediment removal, please include in the SRP the area that will be removed, the depth of sediment removed, the techniques employed (including disposal), and the permits expected to be needed to perform the work.
3. EPA agreed to accept a revised ERA from Sims, with the possibility that it might support leaving some sediment in place within the SSAP sampling area, assuming the remediation activities discussed during our meeting -- *i.e.*, removal of subtidal sediment contaminant "hot spots" near Wharf 3 and capping of upper and lower rip-rap where contaminants exceed TTLC levels -- are implemented.

For purposes of the 90-day timeframe for submitting the revised SRP, we agreed that the 90-day clock began on the day of our meeting, July 18, 2018, and will end on October 16, 2018.

Thank you for meeting with us on July 18, 2018. We believe the meeting enabled us to share ideas on how to best address the observed contamination at the site as identified through the sampling performed by Sims. We look forward to receiving your SRP on or before October 16, 2018. If you have any questions, please don't hesitate to call Lawrence Torres in the Enforcement Division at (415) 947-4211, or Rich Campbell in our Office of Regional Counsel at (415) 972-3870.

Sincerely,

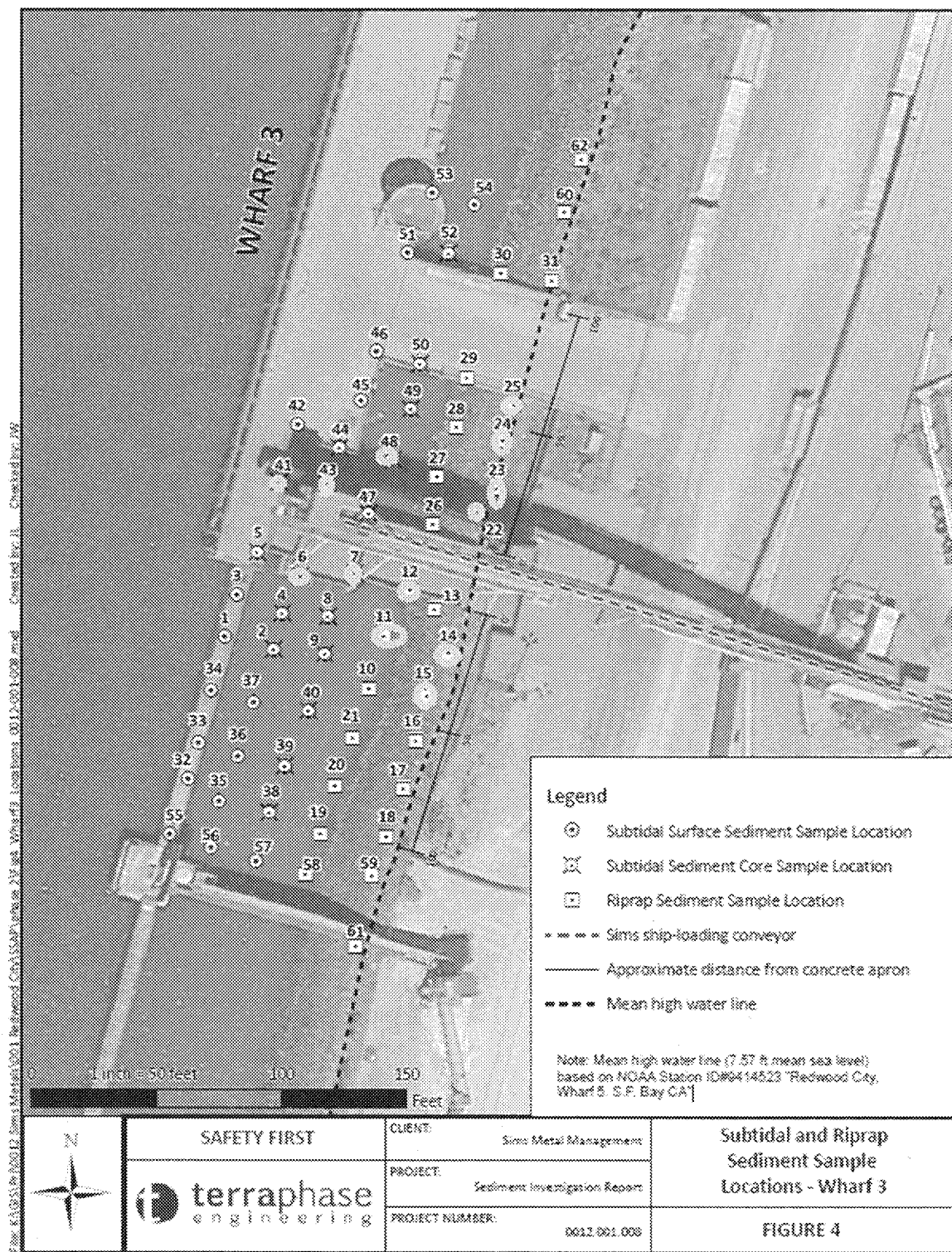
A handwritten signature in black ink, appearing to read "David Wampler", with a long horizontal flourish extending to the right.

David Wampler, Chief  
Water Enforcement Section II

Enclosure

cc: Meg Rosegay, Esq.

# Enclosure 1.



\* Highlights were added by EPA to identify sample locations where metals concentrations exceeded the TTLIC.